

RECEIVED7037 Old Madison Pike, Suite 400
Huntsville, AL 35806

2005 MAR 17 AM 9:38

March 15, 2005

I.R.A. DOCKET ROOM

Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

RE: Notice of Cancellation of Proposed Transaction, Docket No. 04-00287

To Whom It May Concern:

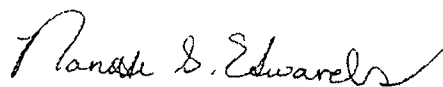
On or about August 24, 2004 ITC^DeltaCom, Inc., ("ITCD"), Southern Digital Network, Inc. d/b/a FDN Communications, Inc., ("FDN") and Florida Digital Network, Inc., d/b/a FDN Communications, and Network Telephone Corporation ("NT") provided notice of the proposed merger with FDN and NT (the "FDN-NT Transactions") by ITCD and notice of the reorganization of ITCD such that ITC^DeltaCom Communications, Inc., would become a first tier subsidiary of ITCD.

Please accept this letter on behalf of ITCD, FDN and Network Telephone as notice of the mutual termination of the merger agreements. The transactions have been terminated.

However, ITCD intends to complete the internal reorganization such that ITC^DeltaCom Communications, Inc. becomes a first tier subsidiary of ITCD.

Should you have any questions or require additional information, please contact me at (256) 382-3856.

Very truly yours,



Nanette S. Edwards
Director - Regulatory
ITC^DeltaCom

cc: Matt Feil, General Counsel, FDN
Margaret Ring, VP Regulatory, Network Telephone